



## **Request for City Council Committee Action from the Department of Public Works**

**Date:** June 4, 2013

**To:** Honorable Sandra Colvin Roy, Chair Transportation & Public Works Committee

**Referral to:** Honorable Betsy Hodges, Chair Ways and Means/Budget Committee

**Subject: Public Hearing: Assessment for Areaway Abandonment at 3022 Hennepin Ave. S.**

### **Recommendation:**

A. Passage of a Resolution adopting special assessments for the areaway abandonment and removal in conflict with Storm Sewer Construction/Rainleader Disconnect Project No 4459 for the benefited property at 3022 Hennepin Av S in the amount of \$97,741.75.

B. Requesting the Board of Estimate and Taxation to issue and sell City of Minneapolis bonds in the amount of \$97,750 for the areaway abandonment and removal in conflict with the Storm Sewer Construction/Rainleader Disconnect Project with the bonds to be paid for from special assessments.

### **Previous Directives:**

- April 12, 2013: Council Action receiving the final costs for areaway abandonment and removal and setting the public hearing.
- September 13, 2011: Accept low bid of Construction Results Corporation to complete areaway removal and alley restoration.
- July 31, 2009: Council Resolution 2009R-349 Ordering the City Engineer to abandon and remove the areaways located in the public street r/w that are in conflict with the storm sewer/Rainleader disconnect project.

### **Department Information:**

Prepared by: Kelly E. MacIntyre P.E., Project Engineer  
Suzette Hjermstad, Public Works Special Assessment Office  
Lisa Cerney, P.E., Director, Surface Water and Sewers

Approved by: \_\_\_\_\_

Steven A. Kotke, P.E., Director of Public Works

Presenters in Committee: Kelly MacIntyre

## Reviews NA

### Financial Impact

- Other financial impact: Special Assessments against benefited property

### Community Impact

- Neighborhood Notification
- City Goals
- Comprehensive Plan
- Zoning Code
- Other

### Supporting Information

An areaway is an extension of a building into the City's right of way. The areaway at 3022 Hennepin (Suburban World Theater) was originally used for a well that provided water for the building's cooling system. The well was no longer in use and sealed in 1999. The areaway was found to be in conflict with a City project to provide a storm drain for rainleader disconnection (Rainleader Disconnect Project No. 4459). In July 2009, City Council passed a resolution ordering the abandonment and removal of the conflicting areaway.

Although the areaway was ordered abandoned in 2009 the City made additional attempts to work with the property owner complete the work. The following is a summary of communication sent to the property owner. The City did not receive any response to the notices.

5-29-09 – Notice was mailed to the property owner requiring that the property owner submit a schedule to the City engineer for the abandonment of the areaway within 2 weeks. This notification was in accordance with chapter 95.90 of the City ordinances.

8-5-2010 - A letter requesting right of entry and a petition to the City to remove the areaway.

6-21-2011 - A letter to inform the property owner that the bid process was underway for the areaway removal. The letter included the Engineer's estimate and the cost of the design consultant

The project to remove the areaway included: plans and specifications prepared by a licensed structural engineer, competitive bid for construction, construction, project management, inspection by the City and temporary pavement restoration by the City. City expenses include labor (including project management; coordination with property representative, consultant, and contractor; oversight of consultant and contractor; and bidding set up and management), administration, and overhead. Construction Results Corporation was awarded the bid by for the areaway removal in September 2011. Areaway removal construction was completed in May of 2012.

The project costs are as follows:

3022 Hennepin Areaway Removal	Cost
Design Consultant HRGreen	\$17,488.00
Construction - Construction Results Corporation	\$59,906.00
Project Management and Field Inspection (City)	\$17,983.16
Temporary Pavement (City)	\$2,364.59
<b>Total Cost</b>	<b>\$97,741.75</b>

The assessment public hearing procedure is in accordance with Section 95.90 of the Minneapolis Code of Ordinances which provides the authority for the City Engineer to

abandon and remove an areaway in conflict with a capital improvement project in the City's right-of-way and a public hearing for the assessment of the cost of removal. The assessment would be collected over 20 years beginning on the 2014 real estate tax statement with interest charged at the same rate as the City pays for selling assessment bonds. Information has been provided in the Notice as to how special assessments may be prepaid in full without interest.

CC: Jack Qvale, Secretary, Board of Estimate & Taxation